

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS	)	
ADJUSTMENT FILING OF DELTA	)	CASE NO. 99-176-C
NATURAL GAS COMPANY, INC.	)	

ORDER

On December 27, 1999, in Case No. 99-176, the Commission approved certain adjusted rates for Delta Natural Gas Company, Inc. ("Delta") and provided for their further adjustment on a quarterly basis in accordance with its gas cost adjustment ("GCA") clause.

On June 26, 2000, Delta filed its GCA to be effective from August 1, 2000 to October 31, 2000.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Delta's notice proposes revised rates designed to pass on its expected increased wholesale gas costs to its customers. Delta's proposed expected gas cost ("EGC") is \$5.0407 per Mcf, excluding take-or-pay billings. This EGC is 83.90 cents per Mcf more than the previous EGC of \$4.2017.

2. Delta's notice sets out no current quarter refund adjustment. The total refund adjustment of .49 cent per Mcf includes refund adjustments from prior quarters.

3. Delta's notice sets out a current quarter actual adjustment ("AA") of (40.71) cents per Mcf to return over-recovered gas cost from February, March and April 2000. The total AA of 51 cents per Mcf reflects the current over-recovery, as well as under- and over-collections from three previous quarters and represents an increase of 4.70 cents per Mcf from the previous total AA.

4. Delta's notice sets out a balance adjustment ("BA") of .03 cent per Mcf to collect \$86 of net under-collections which occurred as a result of previous adjustments. This BA is 13.35 cents per Mcf less than the previous BA.

5. These adjustments produce a gas cost recovery rate ("GCR") of \$5.5461 per Mcf, 75.25 cents per Mcf more than the previous GCR of \$4.7936.

6. The rate adjustment in the Appendix to this Order is fair, just, and reasonable, in the public interest, and should be approved for final meter readings on and after August 1, 2000.

7. Delta requests confidentiality for Schedule VI, which contains business information required by the Commission pertaining to Delta's subsidiaries. Delta Resources, Inc. and Delgasco engage in unregulated, competitive activities. Competitors of these subsidiaries could use business information of these subsidiaries to place themselves in an advantageous position vis-à-vis the subsidiaries and Delta. Thus, disclosure of the information is likely to cause Delta and these subsidiaries competitive injury and should be protected.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for final meter readings on and after August 1, 2000.

2. Within 30 days of the date of this Order, Delta shall file with this Commission its revised tariffs setting out the rates authorized herein.

3. Delta's request for confidentiality is granted.

Done at Frankfort, Kentucky, this 21<sup>st</sup> day of July, 2000.

By the Commission

ATTEST:

Deputy Wm H. Fowler  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 99-176-C DATED JULY 21, 2000

The following rates and charges are prescribed for the customers in the area served by Delta Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

#### RATE SCHEDULES

##### AVAILABILITY

Available for general use by residential, commercial, and industrial customers.

##### RATES

	<u>Base Rate</u>	plus	<u>Gas Cost Recovery Rate</u>	equals	<u>Total Rate</u>
Residential					
Monthly Service Charge	\$ 8.00				
All Mcf	\$3.6224		5.5461		\$ 9.1685
Small Non-Residential					
Monthly Service Charge	\$ 17.00				
First 200 Mcf	3.6224		5.5461		\$ 9.1685
Next 800 Mcf	2.4000		5.5461		7.9461
Over 1,000 Mcf	2.0495		5.5461		7.5956
Large Non-Residential					
Monthly Service Charge	\$ 50.00				
First 200 Mcf	\$ 3.6224		\$ 5.5461		\$ 9.1685
Next 800 Mcf	2.0063		5.5461		7.5524
Next 4,000 Mcf	1.3190		5.5461		6.8651
Next 5,000 Mcf	.9190		5.5461		6.4651
Over 10,000 Mcf	.7190		5.5461		6.2651

Interruptible

Monthly Service Charge	\$	250.00		
First 1,000 Mcf	\$	1.6000	\$5.5461	\$ 7.1461
Next 4,000 Mcf		1.2000	5.5461	6.7461
Next 5,000 Mcf		.8000	5.5461	6.3461
Over 10,000 Mcf		.6000	5.5461	6.1461